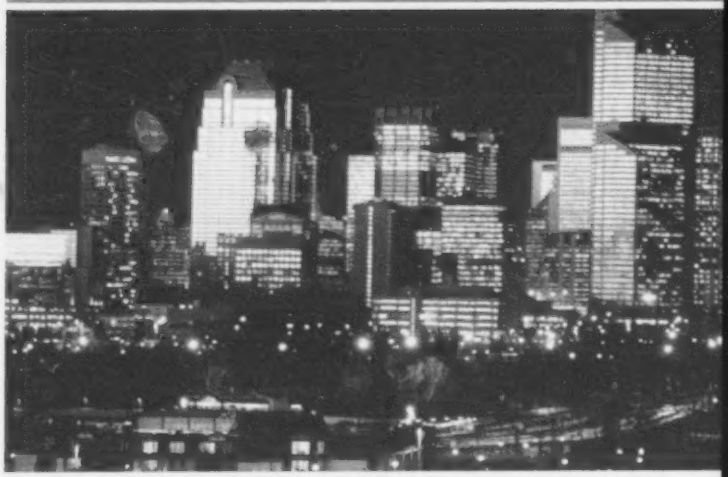
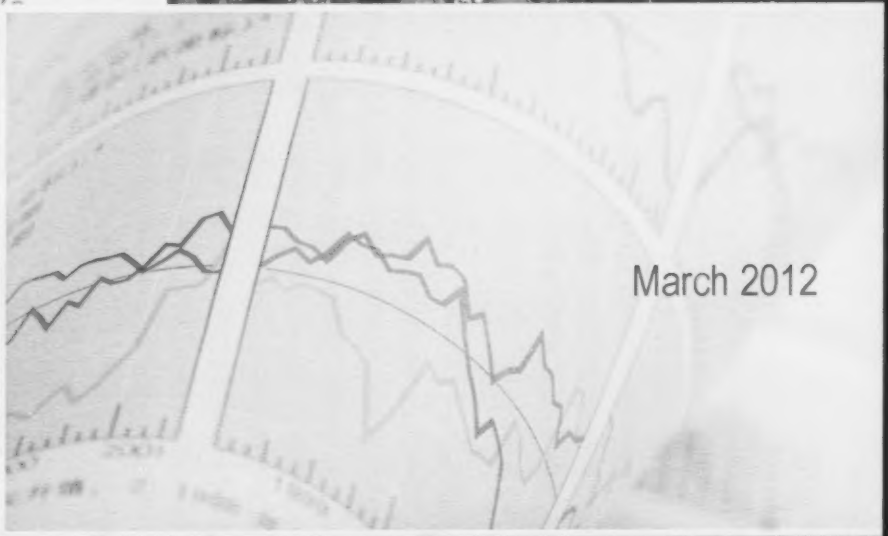




March 2012

Regional Economic Indicators

Palliser Region

Government of Alberta

PALLISER REGION

The Region at a Glance	Page 1
Major Municipalities	Page 2
Demographics	Page 3
Aboriginal Population	Page 5
Labour Force Characteristics	Page 6
Educational Attainment	Page 7
Employment Insurance Beneficiaries	Page 8
Employment by Industry	Page 9
Agriculture	Page 11
Energy	Page 12
Taxfiler Income	Page 13
Investment	Page 14
Establishments with Employees	Page 16
Inventory of Major Projects	Page 18
Accommodation & Hospitality	Page 19

The Region at a Glance

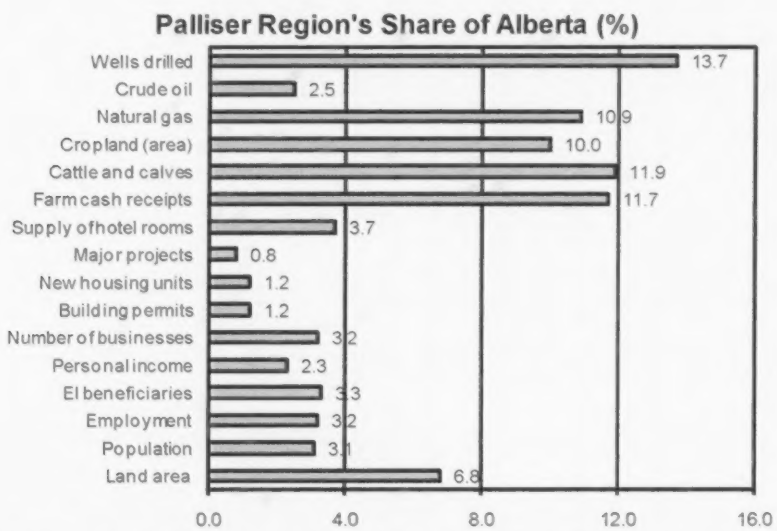
The Palliser region in south eastern Alberta covers an area of 43,515 square kilometers, larger in size than the Netherlands. The region accounts for 6.8% of Alberta's land mass and for 3.1% of Alberta's population.

According to Statistics Canada's latest estimates, the region's population totaled 116,300 in 2010, an increase of 6.8% from 2006. The region's unemployment rate was 5.3% in 2010, down from 5.7% in 2009, and well below Alberta's 6.5% rate. According to the 2006 federal Census, the number of employees was 58,995 in 2006.

The region's largest industries on an employment basis are retail trade, agriculture and oil and gas, each accounting for just over 10% of total employment, followed by health care and social services and construction. The accommodation and food services industry is also well represented in this region, and the region also has a sizeable manufacturing base, which is concentrated in the food products sector. The fastest growing industry between Census years 2001 and 2006 was the oil and gas sector, which increased its employment by 68%. Employment in the agricultural sector, which has been on a long and steady decline in the province, fell by 12% in the Palliser Region between the two Census years.

The Palliser Region is one of the top three agricultural regions in Alberta, accounting for more than 10% of the province's farm cash receipts, livestock and cropland, has the province's largest agricultural area, and is the province's largest producer of wheat and one of the top two producers of specialty crops. The region also accounts for the second largest number of wells drilled in Alberta, and is the province's number four natural gas producing region.

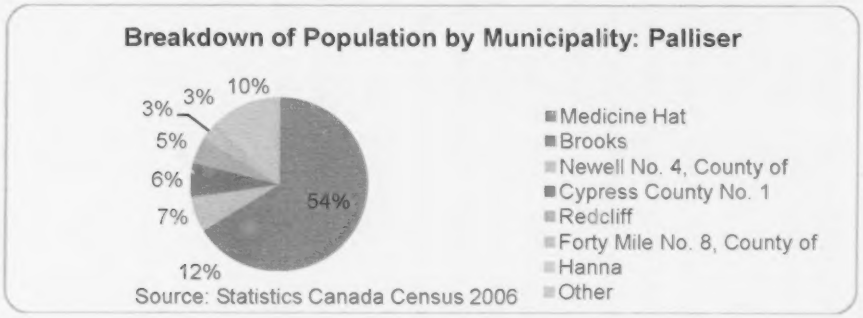
According to personal income taxfiler data the average individual income was $32,100 in 2007, a 28% increase from 2003. Average income for couples was $96,100 in 2007, a 34% rise from 2003.



Although very few current indicators are available on a regional basis, it is clear that the impacts of the global economic crisis have also subsided in this region; for instance the number of Employment Insurance beneficiaries receiving regular benefits fell by 19% in the Palliser region between 2009 and 2010, and declined by 41% between June 2010 and June 2011.

Major Municipalities

The largest municipality in the Palliser Region, according to the 2006 Statistics Canada Census, was the City of Medicine Hat with a population of 56,997[1]. According to the 2006 federal census, Medicine Hat was also the municipality in the Palliser Region with the highest population growth between 2001 and 2006, and experienced an increase of 11.2% or 5,748 residents over that period. More recently, the municipal census of 2009 showed 61,097 residents in Medicine Hat; a 9.0% increase from the 2005 municipal census number[2].



Economic Indicators: Palliser Region

Major Municipalities *	Status	2006 Population	2001 Population	5 Years % Change	1996 Population	10 Year % Change
Medicine Hat	City	56,997	51,249	11.2%	46,783	21.8%
Brooks	Town	12,498	11,604	7.7%	10,093	23.8%
Newell No. 4, County	Municipal District	6,862	7,137	-3.9%	6,421	6.9%
Cypress County No. 1	Municipal District	6,729	6,114	10.1%	5,683	18.4%
Redcliff	Town	5,096	4,372	16.6%	4,104	24.2%
Forty Mile No. 8, County	Municipal District	3,414	3,432	-0.5%	3,230	5.7%
Hanna	Town	2,847	2,986	-4.7%	3,001	-5.1%
Special Area No. 2	Special Area	2,074	2,331	-11.0%	2,531	-18.1%
Bow Island	Town	1,790	1,704	5.0%	1,688	6.0%
Special Area No. 3	Special Area	1,266	1,469	-13.8%	1,584	-20.1%

Source: Statistics Canada, Census 1996, 2001, 2006

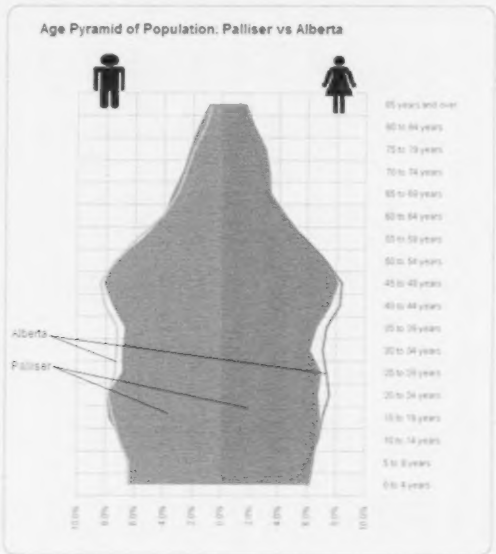
* Top 10 cities, towns, villages and municipal districts in region, based on population in latest census year

[1] Note: the Census under-estimates the overall population totals for any region or municipality as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household.

[2] Numerical differences between the federal and municipal censuses may be ascribed to slight variations in the definition of "usual residence," as well as how "shadow populations" are treated. While municipalities define the "shadow population" as "temporary residents of a municipality who are employed by an industrial or commercial establishment in the municipality for a minimum of 30 days" and include them in their official population numbers if they consist at least 10% of the municipality's population or a minimum of 1,000 individuals, the shadow population of transient workers is not accounted for in population counts conducted by Statistics Canada.

Demographics

According to the most recent Statistics Canada Census, the population of the Palliser Region was 105,181 in 2006 or 3.2% of Alberta's total population. This was a 7.4% increase from the Census estimate of 2001 and a 16.1% increase from the 1996 Census estimate. The Census indicates that, on average, the Palliser region's population is somewhat younger than the provincial average. This may prove to be a challenge for the smaller cohort in the current prime working age group, as they are increasingly required to sustain the larger cohort of the retiring age group through higher productivity levels.



Economic Indicators: Palliser Region			
	2006	**2001**	**1996**
Census Population[3]	105,181	97,947	90,574
% of Provincial Total	3.2%	3.3%	3.4%
Population Components	**2006**	**2001**	**1996**
Age Group: 0 - 14 (%)	19.4	20.8	22.7
Age Group: 14 – 24 (%)	14.7	15.0	N/A
Age Group: 25 – 44 (%)	27.7	29.5	N/A
Age Group: 45 – 64 (%)	25.4	22.1	N/A
Age Group: 65+ (%)	13.4	13.2	13.1
Dependency Ratio [4]	48.8	51.5	55.9
Old Age Dependency Ratio [5]	19.9	20.0	20.4
Source: Statistics Canada, Census 1996, 2001, 2006			

[3] See below paragraph about the under-coverage problems of Census population estimates

[4] Dependency Ratio: The percentage of the population below the age of 15(Child) and over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population of children and elderly that are dependent on the adult population for economic needs.

[5] Age Dependency Ration: The percentage of the population over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population that is dependent on the adult population for economic needs.

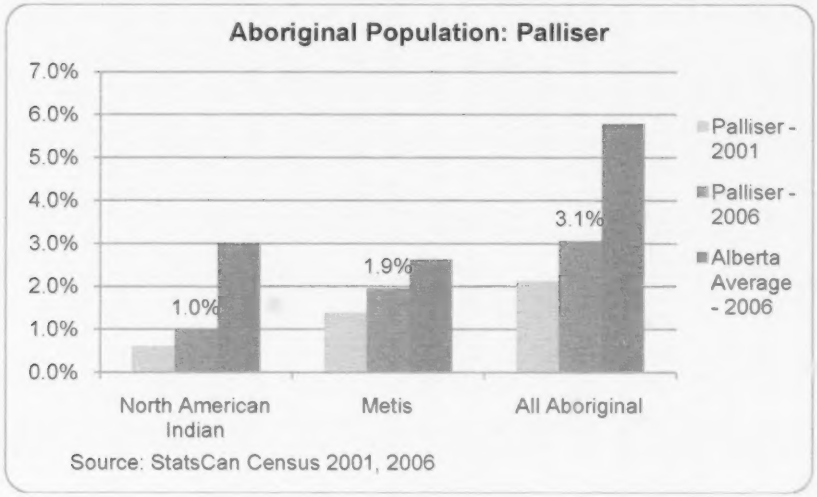
Although the Census provides the most detailed and accurate information at a single point in time on the demographic, social and economic conditions of the population, the Census under-estimates the overall population totals for any region as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household. Therefore, the below presented post-censal estimates should be used as the official population estimates for the region.

Population Estimates – Palliser Region					
	2010	**2009**	**2008**	**2007**	**2006**
Total Population (Thousands)	116.3	115.5	113.9	111.8	108.9
Share of Provincial Total (%)	3.1%	3.1%	3.2%	3.2%	3.2%
Source: Statistics Canada – estimates as of July 1 of each year					

According to the post-censal estimates, the region's population increased by 7,500 or 6.8% between 2006 and 2010, compared with 8.8% growth at the provincial level. The region's share of Alberta's population was stable at 3.1% in 2010.

Aboriginal Population

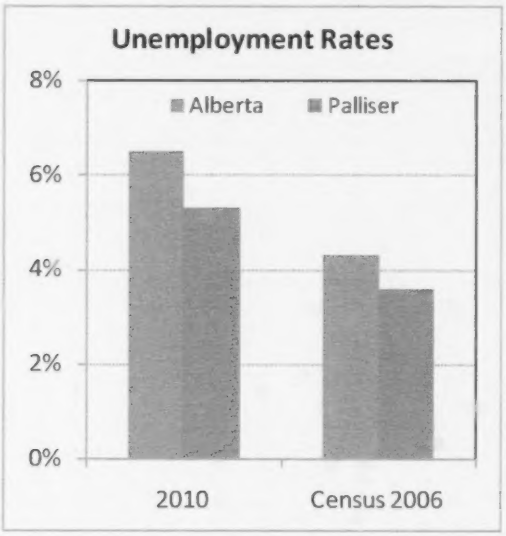
According to the 2006 federal Census Aboriginals made up 3.1% (3,175 individuals) of the Palliser Region's population. One third of these people defined themselves as North American Indians and two-thirds defined themselves as Metis. [6]

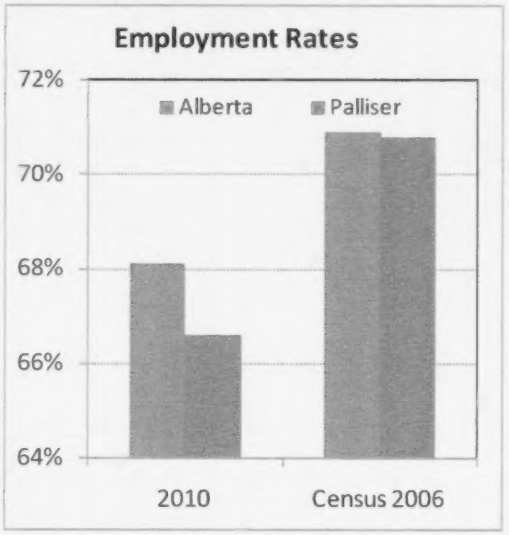


[6] **Aboriginals:** According to Statistics Canada Aboriginal identity is an indicator of a person's affiliation with an Aboriginal group that is North American Indian, Metis or Inuit. Non status and Status/Treaty Indians may be included in this group. **Metis:** Registry and membership with the Metis Nation of Alberta is based upon a definition of Metis, which was passed at the Annual General Assembly held in Edmonton in August 2003. "Metis means a person who self-identifies as a Metis, is distinct from other aboriginal peoples, is of historic Metis Nation ancestry, and is accepted by the Metis Nation." **Registered (Status) or Treaty Indian Indians:** According to Statistics Canada Registered Indians (also referred to as "status Indians") refer to those persons registered under the *Indian Act* while Treaty Indian refer to people who are registered under the *Indian Act* and who belong to an Indian Band or First Nation that signed a treaty with the Crown. Registered/Treaty Indians may be classified as on or off reserve indicating their place of residence.

Labour Force Characteristics

According to Statistics Canada's Labour Force Survey (LFS), the Palliser region's employment rate[7] for the working age population of 15 years and older was 66.6% in 2010 and the participation rate[8] was 70.3%. By comparison, Alberta's employment and participation rates were higher at 68.1% and 72.9%, respectively. The region's unemployment rate was 5.3% in 2010, down from 2009's rate of 5.7%. Alberta's unemployment rate was 6.5% in 2010.





Labour Force Characteristics – Palliser Region					
	2006	**2007**	**2008**	**2009**	**2010**
Participation Rate: 15 years and older (%)	74.7	67.8	70.6	70.0	70.3
Unemployment Rate: 15 years and older (%)	2.9	4.0	2.7	5.7	5.3
Employment Rate: 15 years and older (%)	72.5	65.0	68.6	66.1	66.6
Source: Statistics Canada, Labour Force Survey					
Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions, due to sample size problems and there not being any population control totals for non-standard geographies such as this region.					

Timely labour force estimates from the Labour Force Survey (LFS) are generally not reliable for small areas such as this region[9]. Statistics Canada therefore suggests to only use the rates, such as unemployment rate and participation rate, from the LFS rather than

[7] The employment rate measures the proportion of the adult population that is employed. Employment Rate = (Employed / Population 15+)*100. High labour utilization traditionally accompanies strong economic activity.

[8] The participation rate measures the proportion of the adult population that is in the labour force. Participation Rate = (Labour Force / Population 15+)*100. High labour participation is an effective indicator of the level of engagement among the working age population and traditionally accompanies strong economic activity.

[9] Due to sample size problems and there not being any population control totals for non-standard geographies

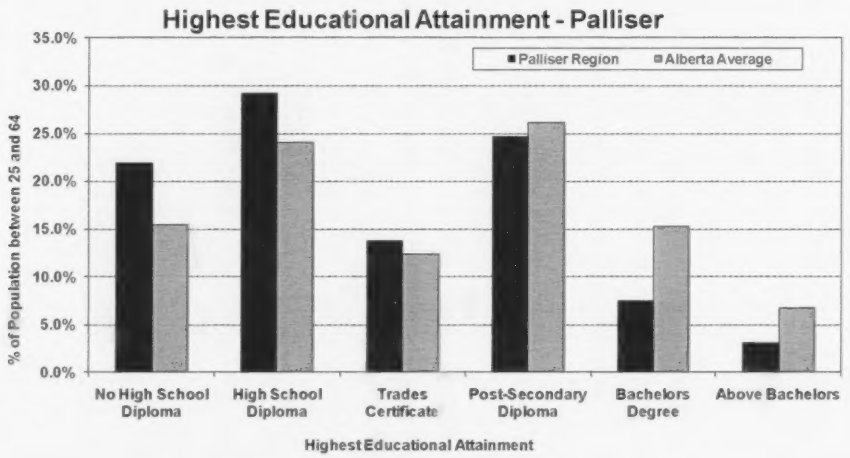
the levels, such as total employment and working age population. As a result, Census estimates are used for the following discussions on employment level estimates.

Between 2001 and 2006, the number of people employed in Alberta grew by 14.7% or by 239,800. Over the same period, employment in the Palliser region grew by an estimated 7,200 or 13.9%. In 2006, the Palliser region made up 2.3% of Alberta's working age population (15+ years), and the region's increase in employment between 2001 and 2006 accounted for 3.0% of all new jobs created in Alberta over that period.

Labour Force Characteristics - Palliser Region		
	2006	**2001**
Population: 15 years and older (Thousands)	83.3	76.4
Labour Force: 15 years and older (Thousands)	61.2	54.3
Employment: 15 years and older (Thousands)	59.0	51.8
Unemployment: 15 years and older (Thousands)	2.2	2.5
Participation Rate: 15 years and older (%)	73.5	71.1
Unemployment Rate: 15 years and older (%)	3.6	4.7
Employment Rate: 15 years and older (%)	70.8	67.8
Source: Statistics Canada Census, 2001 and 2006		

Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions. Because of these data problems, census data for 2001 and 2006 were used for all indicators for the smaller regions such as the Palliser Region and data for these indicators for the other years are not included in the tables.

According to the 2006 census, the level of educational attainment is lower for this region than for Alberta. For the working age population of between 25 and 64 years, 35.1% had a post-secondary degree or diploma, compared with 48.1% for all of Alberta. However, the region does have a larger share holding a trades certificate: 13.8% in the region vs. 12.4% in Alberta. 21.9% of the region's working age population did not finish high school, higher than the Alberta average of 15.4%.

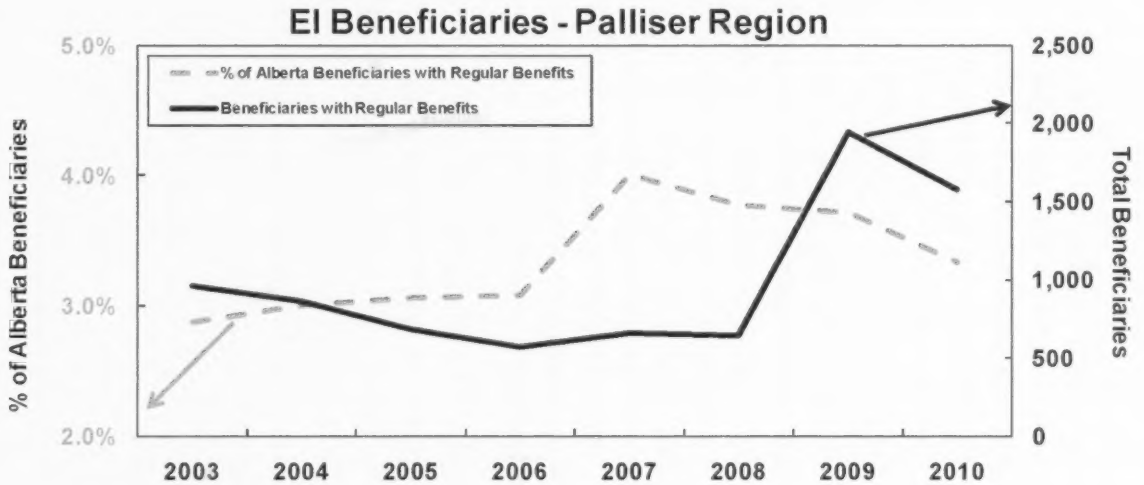


Employment Insurance Beneficiaries

In 2010, 1,580 people received regular Employment Insurance (EI) benefits[10] in the Palliser region, a 19% decrease from the 2009 number of 1,940[11]. Over the same period, the number of EI recipients fell by 9% in Alberta. As a result, the region's share of Alberta EI recipients fell to 3.3%. Between February 2010 and February 2011, the number of regular beneficiaries fell by an estimated 32% in the region.

The total number of income beneficiaries[12] with both regular and special benefits, such as for sickness or parental leave, fell at a lower rate of 16% between 2009 and 2010 as most of the decrease in income beneficiaries was the result of the decrease in the number of regular beneficiaries, rather than those receiving special benefits.

Note: although this measure provides a useful gauge of unemployment it is an imperfect measure, as it excludes self-employed workers and individuals who were unemployed for more than 12 months. At the Canadian level, the EI beneficiaries-to-unemployed ratio was fairly stable over time prior to the recession at between 40% and 45%. In Alberta, the ratio fell gradually during the economic boom years from more than 40% in 1996 to less than 25% in 2007 and the first nine months of 2008. The ratio climbed to more than 40% in 2009 and was 36% in 2010.



EI Recipients: Palliser								
	2005	2006	2007	2008	2009	2010	1-Year Change	5-Year Change
Total Income Beneficiaries	1,540	1,530	1,660	1,650	3,120	2,610	-16%	69%
# of EI Beneficiaries with Regular Benefits	680	570	660	640	1,940	1,580	-19%	132%
% of Alberta Beneficiaries with Reg. Benefits	3.1%	3.1%	4.0%	3.8%	3.7%	3.3%	-0.4%	0.2%
Source: Statistics Canada, Human Resources and Skills Development Canada								

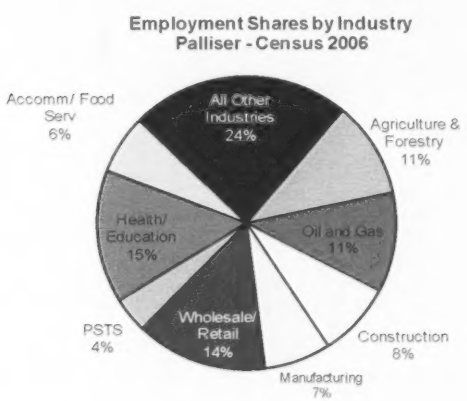
[10] The number of beneficiaries receiving regular benefits excludes claimants receiving training, job creation and self-employment benefits as well as other employment and support measures benefits.
[11] Economic Action Plan provides beneficiaries with five extra weeks of regular EI benefits in 2009 and 2010.
[12] The number of beneficiaries receiving total income benefits includes both the beneficiaries receiving regular benefits and those receiving special benefits, such as for training, job creation, sickness, parental.

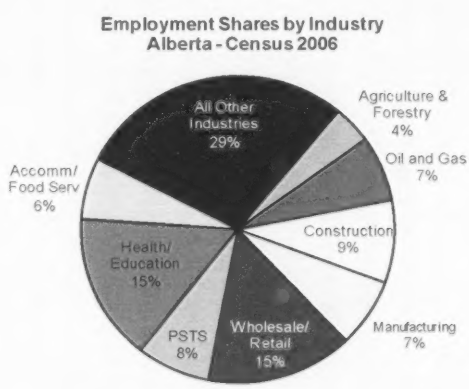
Employment by Industry

In 2006, according to Statistics Canada's census data, the services-producing sector in the Palliser region accounted for about 62% of the total number employed. By comparison, the service sector accounted for 72% of Alberta's employment.

The Mining and Oil and Gas industry had the largest number of individuals employed. This industry accounted for 11% of the region's employment, much higher than the industry's 7% share at the provincial level. The region's next largest industries in 2006 were the Retail Trade and Agriculture[13] sectors, each of which also accounted for about 11% of regional employment.

Between 2001 and 2006, the Mining and Oil and Gas industry had the largest employment gain (up 2,610), mainly because of increased natural gas production. Large increases of between 700 and 1,000 jobs were also noted for the Construction and Healthcare and Social Assistance sectors. In the region's third largest industry, Agriculture, employment decreased by about 850.





PSTS = professional, scientific and technical services

[13] Also includes forestry, but forestry sector has very few employees in the Palliser region

Employment by Industry - Palliser Region		
	2006	**2001**
All Industries (Thousands) - Total	**59.0**	**51.8**
Goods-Producing Sector	**22.4**	**20.0**
Agriculture & Forestry	6.2	7.1
Mining & Oil & Gas	6.5	3.8
Utilities	0.6	0.4
Construction	4.8	3.9
Manufacturing	4.3	4.8
Services-Producing Sector	**36.6**	**31.8**
Wholesale Trade	2.1	1.5
Retail Trade	6.3	5.8
Transportation & Warehousing	2.4	2.2
Finance, Insurance, Real Estate & Leasing	2.0	1.6
Professional, Scientific & Technical Services	2.3	1.7
Business, Building & Other Support Services	1.5	1.5
Educational Services	3.2	2.9
Health Care & Social Assistance	5.5	4.7
Information, Culture & Recreation	1.3	1.5
Accommodation & Food Services	3.8	3.3
Other Services	3.5	2.6
Public Administration	2.7	2.5

Source: Statistics Canada, Census 2001 and 2006

Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions. Because of these data problems, census data for 2001 and 2006 were used for all indicators for the smaller regions such as the Palliser Region and data for these indicators for the other years are not included in the tables.

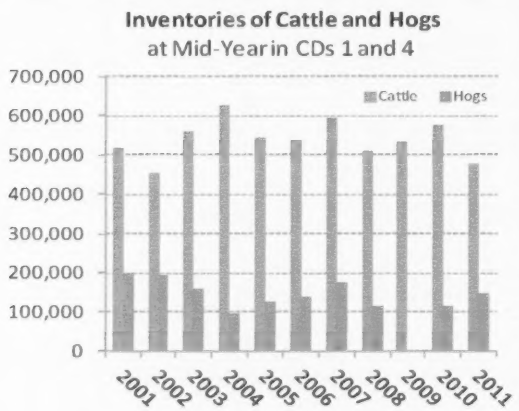
Agriculture

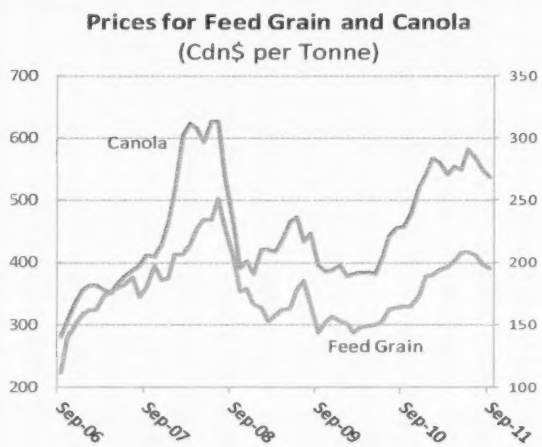
The Palliser region had total farm cash receipts of $1.16 billion in Census year 2006, accounting for 11.7% of Alberta's farm receipts, the third largest share of the 14 regions. In that year, there were almost 3,400 farms in the region with a total acreage of 9.7 million acres or 18.6% of Alberta's total farm acreage. Average farm size was almost 2,900 acres.

The region accounted for 11.7% of the total value of on-farm livestock and poultry with a total market value of $584 million in 2006. The total number of cattle and calves was more than 750,000, most of them beef cattle. Palliser's share of Alberta's total number of cattle and calves was 11.9%, of hogs 9.1%, and of hens and chickens 3.6%.

Cropland acreage totaled about 2.4 million acres, nearly one-quarter of which requires irrigation. It is the province's largest wheat producer, accounting for 36% of Alberta's durum acreage, and for 14% of spring wheat, and is the province's leading grower of greenhouse crops. It is a major producer of alfalfa, barley, oats and rye. It is also one of the two largest provincial producers of specialty crops, such as triticale, corn, mustard seeds, chickpeas and beans.

Very few current agricultural indicators are available for these special geographies. However, livestock estimates are available for Census Divisions 1 (CD1) and 4 (CD4), which encompass most of the Palliser region[1]. Between mid-year 2006 and mid-year 2011, the number of cattle and calves in CD1 and CD4 fell by 11% and the number of hogs increased by about 5%.





Source: Statistics Canada and AARD

In crop year 2009-10 (year ending August 31, 2010), grain and oilseed deliveries at elevators in the Palliser region totaled just over 700,000 tonnes[2], up 5% from 2008-09. Wheat accounted for 63% of the 700,000 tonnes, followed by durum wheat (25%) and peas (4%).

Prices for canola and feed grain more than doubled between early 2006 and the summer of 2008, but fell sharply by about 40% through early 2009. Crop prices rebounded strongly between spring 2010 and summer 2011, but recent global uncertainties have led to modest price declines during the past few months. Prices for red spring wheat fell sharply in August and September, but recovered some of their losses in October 2011. The recent weakening of the Canadian dollar against the US dollar will benefit Alberta crop and cattle growers.

In 2011, Alberta crop production was significantly higher than in the previous year, with record harvests of canola (4.8 million tonnes) and spring wheat (7.6 million tonnes). Crop conditions in the Palliser region were also much better than normal that year.

---

[1] A map of Agricultural Census Divisions can be found in: http://www.statcan.gc.ca/ca-ra2006/m/car-rar-eng.pdf

[2] Deliveries at grain elevators are not representative of production as not all grain is shipped to local elevators

Energy

Oil and gas production in the Palliser region has fallen over the last five years, with gas production declining by 15.0% between 2004 and 2009, and oil production by 34.1% over the same period. Between 2008 and 2009, gas production declined by 8.6% while oil production fell by 7.0%.

Palliser's share of overall Alberta gas production was 11.5% in 2009, making it the 4th largest producer out of 14 regions. Average annual gas prices dropped by 53.3% in 2009 to $3.65 per gigajoule. So far in 2010, gas prices have averaged $3.73, a slight increase from 2009, and low by historical standards.

The Palliser region is the 5th largest conventional oil producing region in Alberta and the 8th largest overall oil producer (combining conventional and oil-sands). The region's share of Alberta's conventional oil production was 11.6% in 2009, but its share of total crude oil output was only 2.8%. Oil prices dropped by 38.0% to US$61.80 per barrel in 2009. However, so far in 2010 oil prices have averaged $78.96, an increase of 27.8%.

Over the last five years, the number of spudded wells[16] in the region has dropped 76.6%. Between 2008 and 2009, the spud count dropped by 59.2% to 1218 wells, accounting for 16.8% of the Alberta total. Part of the decline can be attributed to a weak global economy and soft energy prices. However, in the first 10 months of 2010, the number of wells drilled in Alberta rose 44% from the same period of 2009, largely because of a more than doubling in the number of conventional oil wells. The Petroleum Services Association of Canada is forecasting an increase of 5% in 2011 over 2010 for Alberta drilling. These drilling estimates and forecasts should provide some optimism for oil producers in Palliser.

Economic Indicators: Palliser Region					
Oil and Gas Statistics					
	2009	**2008**	**2004**	**% Change 1 Year**	**% Change 5 Years**
Crude oil production (millions of cubic metres)	3.1	3.3	4.7	-6.97%	-34.12%
Natural gas production (billions of cubic metres)	16.0	17.5	18.8	-8.61%	-15.00%
Number of wells spudded	1218	2987	5208	-59.22%	-76.61%
Source: Alberta Energy					

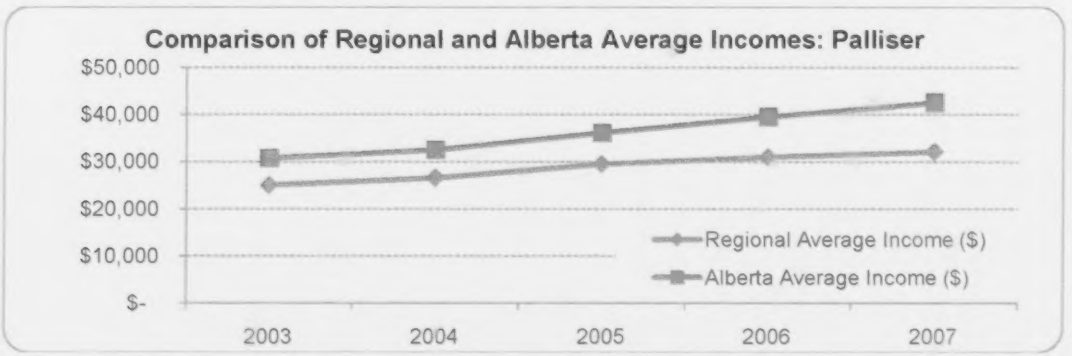
The region's total gas potential represents 13.5% of Alberta's overall reserves, and oil potential is 6.5% of Alberta's conventional reserves.

[16] A spud is the very beginning of a drilling operation for a well

Income, Taxfiler

In 2007, the average individual income in the Palliser Region was $32,115, a 3.6% increase from 2006, but 24.6% less than the provincial average of $42,570 in 2007. In the same year, average couple income[21] in the Palliser Region was $96,130, a 6.3% increase from the year before, but 23.4% less than the provincial average of $125,485 in 2007.

The percentage of taxfilers that reported an individual gross income over $100,000 was 4.5%, while 32.8% of taxfilers identified as couples reported an income of over $100,000.



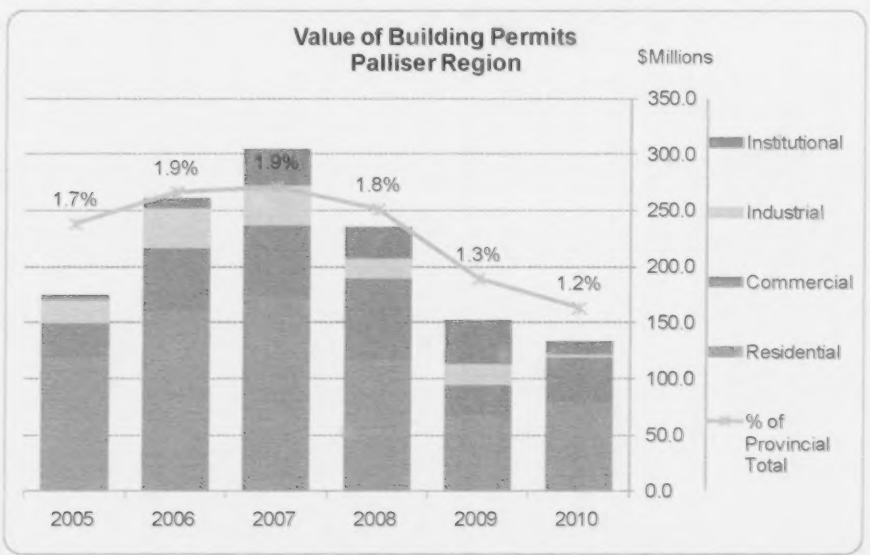
Economic Indicators: Palliser Region						
	Single Taxfilers			Couple Taxfilers		
	2007	2006	2003	2007	2006	2003
Average Income ($)						
Palliser	$32,115	$30,995	$25,030	$96,130	$90,410	$71,865
% Change 1 Year	3.6%			6.3%		
% Change 4 Year	28.3%			33.8%		
Alberta	$42,570	$39,560	$30,770	$125,485	$115,965	$87,775
% Change 1 Year	7.6%			8.2%		
% Change 4 Year	38.3%			43.0%		
Income Range						
0 or Negative	21.9%	21.7%	21.4%	0.2%	0.3%	0.4%
$1-$20,000	27.8%	29.0%	34.3%	5.0%	5.7%	7.2%
$20,000-$40,000	20.2%	20.5%	21.6%	14.7%	16.3%	21.8%
$40,000-$60,000	13.2%	12.6%	11.5%	16.0%	17.2%	20.8%
$60,000-$80,000	8.1%	8.0%	6.4%	16.2%	17.1%	19.1%
$80,000-$100,000	4.2%	4.0%	2.6%	15.1%	14.3%	12.7%
Over $100,000	4.5%	4.1%	2.2%	32.8%	29.1%	18.1%
Source: Alberta Finance and Enterprise						

[21] Couples are defined as married or common-law

Investment

In 2010, the total building permit value for the Palliser region stood at a six-year low of $133.0 million, making up 1.2% of the provincial total. In 2010, the total building permit value for the Palliser region decreased by 13% from 2009, and was 24% lower than the 2005 level. The decrease between 2009 and 2010 can be attributed to a large decrease in institutional permits of 71% to $11.1 million and an 87% drop in industrial permits to $2.5 million. Over the same period, residential permits increased by 17% to $79.4 million, while commercial permits increased by 49%. Between 2005 and 2010, residential permits decreased by 33%.

The total number of dwelling units for which building permits were taken out in the Palliser region in 2010 was 320. This was a 1% increase from the previous year, but a 70% decline from 2005 levels. Over that five-year period, the number of multiple family dwelling units fell by 81% to 99 units in 2010. Over the same period, the number of single dwellings decreased by 60% to 221 units.



In 2010, the number of urban housing starts[22] totaled 334 in the Medicine Hat Census Agglomeration (CA), an increase of 16% from 2009's 287 starts. This increase was the result of a 58% jump in the number of single-family units between 2009 and 2010. Brooks CA experienced a notable drop in housing starts of 82% between 2009 and 2010 to 17.

[22] Housing start information is gathered by Canada Mortgage and Housing Commission field offices; building permit estimates are gathered by Statistics Canada from municipalities. A building permit generally precedes the actual start.

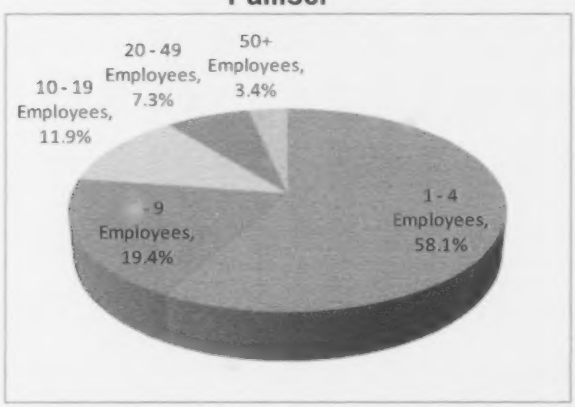
Economic Indicators: Palliser Region								
Building Permits: Value ($ Millions)								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**% Change 1 Year**	**% Change 5 Years**
Total	133	152.2	235.6	304.3	261.5	174.6	-12.6%	-23.8%
% of Provincial Total	1.2%	1.3%	1.8%	1.9%	1.9%	1.7%	-13.7%	-31.5%
Commercial	40.0	26.8	72.6	63.2	55.7	31.2	49.4%	28.0%
Industrial	2.5	19.2	17.9	37.0	36.0	19.3	-86.7%	-86.9%
Institutional	11.1	38.2	28.0	31.1	9.0	5.0	-71.1%	119.7%
Residential	79.4	68.1	117.1	172.9	160.7	119.0	16.6%	-33.3%
Building Permits: Number of Dwelling Units								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**		
Total	320	317	774	1,195	1,149	1,080	0.9%	-70.4%
% of Provincial Total	1.2%	1.4%	2.7%	2.5%	2.3%	2.5%	-14.6%	-51.3%
Single Dwellings	221	173	497	677	609	549	27.7%	-59.7%
Multiple Use Dwellings	99	144	277	518	540	531	-31.3%	-81.4%
Source: Statistics Canada, Compilation by Alberta Finance & Enterprise								

Establishments with Employees

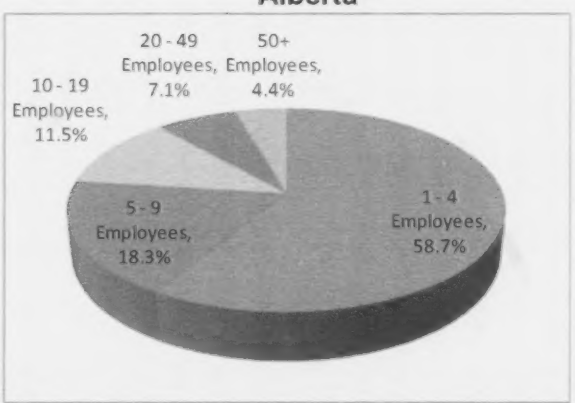
In 2010, the Palliser Region had 4,758 establishments with employees, making up 3.2% of all establishments with employees in Alberta. Of these establishments, 4,596 or 96.6% were small companies with between 1 and 49 employees. Micro-businesses with fewer than five employees have a 58.1% share of the region's total number of companies and large companies with 50 or more employees have a 3.4% share, compared to the 4.4% Alberta average.

Number of Establishments by Employee Size in 2010: Palliser Region and Alberta

Palliser



Alberta



Between 2005 and 2010, there was a decrease of 3.4% (or 166 companies) in the total number of businesses in the Palliser Region and a 2.6% decline (or 125 companies) in the number of small businesses. By comparison, at the provincial level, the total number of businesses increased by 2.3% and small companies experienced an increase of 3.4% over the same period.

In the Palliser Region, 67% of companies with employees were involved in Service Industries as of 2010. The total number of companies in service industries fell by 1.4% over the past five years, while the goods industry had a 7.3% decline over the same period.

Utilities and Construction is the largest industry in the region, making up 12.3% of establishments with employees in the Palliser Region. By comparison, 13.8% of establishments with employees are engaged in the Utilities and Construction industry at the provincial level. Construction companies account for about 97% of the Utilities and Construction industry in this region. Other large industries are Retail Trade, Other Services (mainly repair and maintenance), and Agriculture and Forestry (almost all companies in the latter industry are agricultural).

Over the past five years, the Health Care and Social Assistance industry experienced the highest growth in the number of businesses, up 10.2% between 2005 and 2010. Manufacturing registered the largest decline: down 20.3% between 2005 and 2010. The Education and Agriculture and Forestry industries also had large declines of more than 10% in the number of establishments over the same period.

Numbers of Establishments by Industry Palliser Region								
All Companies (1+ Employees)					Small Companies (1-49 Employees)			
	2005	2009	2010	5-Year % Change	2005	2009	2010	5-Year % Change
Total, All Industries	**4,924**	**4,646**	**4,758**	**-3.4%**	**4,721**	**4,481**	**4,596**	**-2.6%**
Total, Goods Industries	**1,681**	**1,507**	**1,559**	**-7.3%**	**1,613**	**1,460**	**1,506**	**-6.6%**
Agriculture & Forestry	597	467	501	-16.1%	589	466	499	-15.3%
Mining, Oil & Gas Extraction	376	375	373	-0.8%	350	355	352	0.6%
Utilities & Construction	580	562	583	0.5%	561	544	563	0.4%
Manufacturing	128	103	102	-20.3%	113	95	92	-18.6%
Total, Service Industries	**3,243**	**3,139**	**3,199**	**-1.4%**	**3,108**	**3,021**	**3,090**	**-0.6%**
Wholesale Trade	206	190	202	-1.9%	200	185	199	-0.5%
Retail Trade	533	522	551	3.4%	506	495	526	4.0%
Transportation & Warehousing	252	233	227	-9.9%	239	225	220	-7.9%
Information, Culture, Recreation & Arts	111	97	102	-8.1%	104	90	95	-8.7%
Finance, Insurance, Real Estate & Leasing	290	258	274	-5.5%	278	256	267	-4.0%
Professional, Scientific & Technical Services	519	466	471	-9.2%	515	464	470	-8.7%
Administrative & Waste Management Services & Management of Companies	218	244	226	3.7%	211	232	220	4.3%
Educational Services	49	44	41	-16.3%	43	38	35	-18.6%
Health Care & Social Assistance	284	300	313	10.2%	265	282	294	10.9%
Accommodation & Food Services	248	250	252	1.6%	228	228	232	1.8%
Other Services Excluding Private Household Services*	512	515	519	1.4%	505	511	516	2.2%
Public Administration	21	20	21	0.0%	14	15	16	14.3%
Source: Canadian Business Patterns, Statistics Canada								

* A new subsector, Private Households (hiring cooks, nannies, etc.) was created in 2006, thereby inflating the 2006 to 2010 estimates for the sector and the region as compared to previous years. Hence, to make the data comparable, the values shown for the "Other Services Excluding Private Household" industry has been adjusted and does not include the Private Households sector data.

Inventory of Major Projects

As of March 31, 2011 there were 23 projects proposed, planned, under construction or recently completed in the Palliser region. The largest category was Infrastructure with 10 projects.

The total value for the projects in the Palliser region was $1.4 billion, as of March 31, 2011. About 65% of the projects' value is attributable to Power projects.

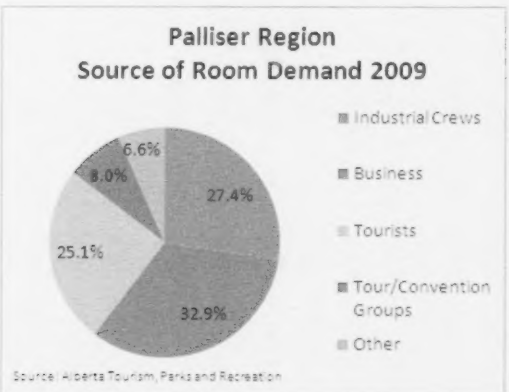
The Palliser region accounts for 0.8% of the value of all major construction projects in Alberta.

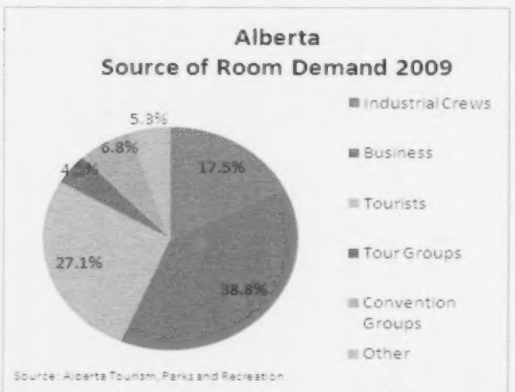
Economic Indicators: Palliser Region				
Major Construction Projects, as of March 31				
	Number of Projects		**Value ($millions)**	
Industry Sector	**2011**	**2010**	**2011**	**2010**
Chemicals & Petrochemicals	1	01	$40.0	$0.0
Commercial/Retail and Residential	01	1	$0.0	$20.0
Infrastructure	10	6	$119.6	$109.0
Institutional	3	3	$220.0	$298.0
Other Industrial	1	1	$5.1	$501
Power	5	5	$927.0	$3,452.0
Residential	0	1	$0.0	$10.4
Tourism/Recreation	3	3	$122.3	$122.3
Total	**23**	**23**	**$1,434.0**	**$4,016.7**
% of Provincial Total	**2.2%**	**2.7%**	**0.8%**	**1.7%**
Source: Alberta Finance and Enterprise, Inventory of Major Alberta Projects				

Note: 2010 and 2011 cannot be compared because some projects are carried over several years and there is only one cost available for the entire project.

Accommodation & Hospitality

In 2009 Palliser Region had 38 accommodation properties with a total of 2,320 rooms, accounting for 3.7% of available rooms in Alberta. The greatest demand for rooms came from business travelers at 32.9%, followed by industrial crews (27.4%). The average occupancy rate in the region was 57.8%, compared to the provincial average of 58.6%. The average room rate was $92.70, which was 17.4% below the provincial average of $112.19.





Economic Indicators: Palliser Region		
Accommodation Statistics	**2008**	**2009**
Palliser		
Number of Properties	37	38
Supply of Rooms	2,304	2,320
Share of Alberta Rooms	3.7%	3.7%
Average Number of Rooms/Property	62.3	61.1
Occupancy Rate	60.8%	57.8%
Average Room Rate	$86.38	$92.70
Alberta		
Average Number of Rooms/Property	82.5	82.0
Occupancy Rate	68.2%	58.6%
Average Room Rate	$113.54	$112.19
Source: Alberta Tourism, Parks and Recreation		

Alberta Treasury Board and Enterprise
4th Floor, Commerce Place
10155 - 102 Street
Edmonton, AB T5J 4L6

Telephone: 780.427.6787
Fax: 780.422.0061

Website:www.albertacanada.com

© 2012 Government of Alberta

ISSN: 1718.2832 (pdf)

Printed in Canada

You can access the Regional Economic Indicators reports and the following related department publications on the Internet at http://albertacanada.com/about-alberta/statistics-and-publications.html :

- Alberta Oil Sands Industry Quarterly Update
- Facts on Alberta
- Highlights of the Alberta Economy
- Inventory of Major Alberta Projects
- Monthly Economic Review
- Alberta Natural Gas Industry Quarterly Update